Development of Industry in the North East

2188. SHRI DRUPAD BORGOHAIN: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government have any plan to develop industries based on natural resources of North East; and

(b) if so, the projects to be set up during Ninth Five year Plan?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) and (b) While Planning and Development of Industries within a State is primarily the responsibility of the concerned State Government, the central Government has been supplementing the effort of the North East Government towards the development of industries including those based on natural resources of the North East through special central assistance under special area programme of the North East council and through recently announced New Industrial Policy for the North East region.

The actual projects that would be set up depend on the initiatives of the entrepreneurs.

BIFR plan to revive Jessop and Company Ltd.

2189. SHRI DEBABRATA BISWAS: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that the Board for Industrial and Financial Reconstruction (BIFR) has drawn up a 369 crore Rupees revival package for Jessop and Company Ltd., the Calcutta based engineering company; and

(b) if so, the details thereof and by when the revival plan is likely to come into effect?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) and (b) BIFR has issued the sanctioned scheme of Jessop on 6.5.98. The cost of the scheme is Rs. 368.94 crore (fund based Rs. 91.20 crore and non-fund based Rs. 277.74 crore). As per the scheme, Government is required to provide Rs. 54 crore and the balance Rs. 37.20 crore is to be realised through sale of assets for financing the scheme. Outstanding plan loan is to be converted into equity, non-plan loan into zero rate debentures and outstanding Government interest is to be waived off. In addition, Government of India is to provide counter guarantee of Rs. 70.68 crore for providing need based working capital. The sanctioned scheme has not incorporated certain views/comments of Government of India. Therefore, BIFR has been requested to modify the sanctioned scheme suitably.

Issues discussed during meeting with Prime Minister

2190. SHRI DEBABRATA BISWAS: Will the Minister of INDUSTRY be pleased to state:

(a) the various issues raised by the Chief Minister of West Bengal during his meeting with Prime Minister on 19th May, 1998;

(b) whether any specific problems relating to the revival of sick Industrial units was raised;

(c) if so, details thereof; and

(d) the steps Government propose to take in this regard?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) to (d) The Chief Minister of West Bengal had raised a number of issues concerning the State in his meeting with the Prime Minister on 19th May, 1998. These including the need for speedy formulation of revival packages and provision of funds for Central PSUs an modernisation of IISCO, in particular. It was decided that the, State Government may separately seek a meeting with the Finance Minister to present their views in detail.